

## ADMINISTRATION TEAM MINUTES

**Date:** September 9, 2005  
**Time:** 9:00 am  
**Place:** Tacoma AGC Building

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<b><u>Attending</u></b>	Mark Borton	___	Tim Hayner	✓	Cathy Nicholas	✓
	Jerry Brais	___	Ann Hegstrom	___	Ken Olson	___
	Forrest Dill	✓	David Jones	✓	Mark Rohde	___
	Bob Glenn	___	David Mariman	✓	Mark Scoccolo	___
	Paul Gonseth	✓	Craig McDaniel	✓	Dave Standahl	✓
	Mike Hall	___	Tina Nelson	___	Greg Waugh	✓
	Tom Zamzow	___				

**Opening** Greg and Craig summarized the discussion at the last AGC/WSDOT Lead Team meeting as follows:

A fuel escalation follow-up discussion reiterated the Admin Team discussion. There is no consensus that a fuel escalation clause is desired.

The ability to deny contract claims under section 1-09.11 for not following procedure and protest (notice) provisions is being challenged. AGC is proposing legislation to eliminate the ability to deny claims for lack of notice. This would apply to all contracts including subcontracts.

Apprenticeship legislation is imminent now that WSDOT is a cabinet level agency. The first legislation excluded WSDOT but the next will not. Likely to affect projects over \$1 million.

Environmental incentive provisions were included in Contract No. 6937 – SR 106, Skobob Creek Fish Passage. There has been no evaluation of their performance so far, but will be reported as it becomes known.

Glenn Schneider in Southwest Region replaced Doug Ficco as Region Construction Engineer, and was recommended by the Lead Team to join the Admin Team when a vacancy occurs.

The group brainstormed topics for the AGC annual meeting. Last annual meeting included discussion of funding and environmental issues. Design/Build, specifically the CPM scheduling provision, is a topic of interest. Water quality is a big issue and changes to water quality standards would be a good topic. The rules and technology are changing constantly, and discontinuity between neighboring states is a challenge for contractors. Penhall's centrifuge is an example of new technology in the treatment of cement slurry, and pH treatment is a new requirement. Treatment processes that work in Oregon do not work in Washington.

Performance bonding legislation is being considered by WSDOT. The proposal is to decrease the bonding required for large projects, and is a result of some reports that bonding is becoming increasingly difficult for projects over \$250 million. Max J. Kuney Company approached Safeco and sent questions to other companies. Greg Waugh reported that the costs will not change appreciably for different project sizes. There is adequate bonding capacity at this time. This could increase competition among contractors and could allow more bonding companies into the game. More info will be provided once other bonding companies respond to Greg's request.

The minutes of the prior meeting were accepted without comment.

### **New Business - Tribal Conference**

The Tribal Conference is scheduled for October 17-19 at the Little Creek Hotel and casino in Shelton. The conference is intended to foster better relationships between Tribes, Contractors and the Department, but too few contractors participate. There is a comparison of different Tribes TERO requirements from 2:00 pm to 4:00 pm on the 17<sup>th</sup> and a workforce development session from 1:30pm to 5:00 pm on the 18<sup>th</sup> that would be of high value for those with limited time. Dinner sessions offer good opportunities for partnering. Dave Jones will be presenting.

### **Section 1-08 Revisions – Status**

Dave Jones reviewed past meeting minutes and compiled the attached status sheet of spec revisions in Section 1-08. Focus is renewed on completing section 1-08.3 for complex progress schedules. The standard provision was deemed complete in the past, but it may be worth revisiting for final adjustments. Section 1-08.8 is close to completion and may be ready for an acceptance vote. All new provisions will be Amendments to the 2006 Standard Specifications at best, and the cutoff is November 1 for January amendments. The next regular Amendment publication is scheduled for April 3, 2006.

### **Section 1-08.3 Progress Schedules**

WSDOT has seen an increase in the number of contracts that do not receive a schedule submitted as specified, and the Department needs a mechanism to address the problem that results from not receiving a schedule. The draft schedule provision was revised to delete the ability to defer progress payments until a schedule is submitted, and now

references section 1-08.6 to allow a suspension of work while continuing to charge working days. However, it seems counter productive to stop the progress of the work over lacking a schedule.

A brief discussion of why a contractor would not submit a schedule revealed a few reasons such as: small jobs are over before the schedule is due; staging, environmental constraints and plan errors make it nearly impossible to prepare a schedule that conforms to the contract; and, it is really quite hard to pull together a meaningful schedule in the mayhem that follows a contract award. Larger projects are less of a problem for contractors to meet the submittal requirement because they need to create a schedule in order to bid the job.

What mechanism will enable the Department to get a schedule when none is forthcoming? Metro prohibits on-site work until the schedule, and other submittals, are turned in. Some agencies provide a bid item and fix the price. Sound Transit provisions tie the schedule to payment for mobilization. The discussion resulted in a preference for tying the schedule to mobilization payments.

A couple of potential hurdles exist to tying mobilization payments to receiving a schedule. Mobilization can take a long time to occur on big jobs, and schedules are needed faster than this may allow. Also, payments are made automatically as a percent of work completed and would need to be adjusted manually to make earlier or later payments. Section 1-09.7 may need to be modified to make this work.

Next steps: Craig, Dave and Dave will review the GSP for simple schedules, revise it and the standard spec to tie receipt of schedule to payment for mobilization, and distribute via e-mail for a vote. Forrest will distribute what he has so far for complex schedules, which will be revised to add a bid item with a fixed amount. The goal is to implement the provisions for the simple and standard jobs right away.

#### **Section 1-08.5 Time for Completion – Critical Materials Suspension**

The attendees of the January 2005 meeting brainstormed potential reasons for allowing a critical materials suspension (attached). Any specs that result from this list will depend highly on the directions to designers so that they are implemented correctly. It was noted that the seismic retrofit jobs have a provision that is a good example. Some projects may have critical procurement times built into the specified working days, other jobs will not need a suspension due to the sequencing of construction activities. Mix design review can be crossed off of the list, because a provision was developed for section 5-04 that allows a determination of unworkable days for mix design verification (this was e-mailed to each team member after the meeting).

All of the existing and proposed critical materials provisions deal with events that are known or anticipated at the time of contract formation. The team turned their attention to dealing with critical materials delays that are unknown. Typically, the risk of materials and labor is borne by the Contractor. The current language of section 1-08.8 precludes

an extension for failure to obtain materials or labor. Should this be revised in light of the hurricane and potential shortages of lumber or petroleum based products? Should bidders be solicited to advise the Agency of material shortages at the time of bid, with provisions to address them issued by addendum? Any revisions should maintain the balance of risk between Owner and Contractor, should allow time but no money, and should be limited to fabricated items (not fuel or lumber). A discussion with the Attorney General may help determine our direction. A brief discussion of what items should be removed from the list was inconclusive. The sponsor for this topic should be prepared for more discussion at the next meeting.

### **Section 1-08.5 – Alternate Shift Schedules**

It was noted that the need for this provision is a lower priority to completing section 1-08.3. Special provisions are plentiful and are filling the gap. The draft provisions do not reflect the comments made to date, and should be updated for the next round of discussion.

### **Other Section 1-08 Provisions**

It was noted that section 1-08.4 Prosecution of Work is affected by the Variable Start date provisions, and needs to be updated to work with the rewrite of section 1-08.5. There are no known reasons to change section 1-08.7 prior to implementing new “time” or “schedule” provisions.

### **Next Meeting**

The next meetings are scheduled for October 14<sup>th</sup>, November 18<sup>th</sup>, and December 9, with agenda items to follow. The meeting adjourned at 12:00 noon.

Subject Area	Sponsor
Section 1-08.3	Craig McDaniel
1-08.3 alternate simple job	Paul Gonseth
1-08.3 alternate complex job	Forrest Dill
Section 1-08.4	Mike Hall
Section 1-08.5	Paul Gonseth/Greg Waugh
Section 1-08.5 (sub) Critical Materials Spec	Mark Borton
Section 1-08.5 (sub) Variable Start Date	Dave Standahl
Section 1-08.5 (sub) Alternate Shifts (could be a family of specs)	Tim Hayner
Section 1-08.5 (sub) Work not Allowed (events, traffic, permit provisions)	Paul Gonseth
Section 1-08.6	Dave Jones

Section 1-08.7	Ann Hegstrom
Section 1-08.8	Mark Scoccolo
Review, Summarize Region Specials	Craig McDaniel

**Team's "Round Tuit" List (cont)**

1. Tort Claims Liability/Accident Reports
2. Bid Item for On-site Overhead
3. Disputes Review Boards
4. Joint Training—Documentation
5. Payroll, Wage Administration procedures
6. Materials on Hand provisions
7. Web-Based Construction Management